



# TAB F

## Preliminary Equal Opportunity Plan

## Preliminary Equal Opportunity Plan Requirements

The **Preliminary** Equal Employment Opportunity Plan ("Plan") must be submitted in a form and substance acceptable to the Construction Management Section of the Multifamily Housing Development and Construction Division of the Michigan State Housing Development Authority (MSHDA). The submission and approval of a Plan is a condition precedent to the issuance of a MSHDA Loan Commitment for this development.

In order to receive the approval, your Company must submit a Plan that adequately addresses the following requirements:

1. A statement which states the percentage of minority persons in the labor market area in which the project is to be located. The same information should be provided for the largest city feeding into the labor market area.
2. The Plan must state the name, address, telephone number and position held within the firm by the person who is required to be designated the firm's Equal Opportunity Officer. This person must be an official of the general contracting firm, who has the responsibility and authority to negotiate bid proposals and let contracts.
3. An "Equal Employment Opportunity Policy Statement" should be submitted by your Company and included in the Plan. This statement must also include acknowledgment by your firm of its obligation to implement an Equal Employment Opportunity Plan under Section 46 of the Public Acts of 1966, as amended, which is the State Housing Development Authority Act.

The Plan must also contain a commitment on the part of the general contractor to include this policy statement in all of the written outreach communications, which it will use in its implementation of the Plan.

4. The Plan must also contain a commitment on the part of the contractor to comply with MSHDA's equal employment opportunity compliance reporting requirements as implemented by and through MSHDA's Equal Employment Opportunity Officer(s).
1. The Plan must contain a statement that indicates in detail, the results to date of any previous Equal Employment Opportunity Plan in which your firm has participated. If prior results did not achieve anticipated goals, you should indicate changes you have made in this Plan to make it more successful. If a previous Equal Employment Opportunity Plan was submitted to MSHDA, give a trade-by-trade breakdown of minority work hours to majority work hours achieved in the implementation of that Plan. If this information is not available, this statement should be based on your best recollection. If your firm has not previously used an Equal Employment Opportunity Plan, please state this fact in the Plan.

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- The Plan must contain a position-by-position breakdown of racial composition of the total work force presently employed by your firm (see example below). In addition to your firm personnel, this information should include clerical and administrative staff.

<u>Job Category</u>	Black	Hispanic	American Indian	Asian	Total
	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>
Officers					
Professionals					
Office & Clerical					
Supervisors					
Carpenters					
Laborers					
Etc.					

- The Plan must contain an estimate of the number of workers trade by trade, that will be required to complete the construction of this project (see example below).

#### Estimate of Subcontractor's Personnel by Trade

Site Work	Concrete Work
Masonry (Brick)	Roofing
Carpentry	Plumbing
HVAC	Electrical
Painting	Drywall
Etc.	

The Plan must also contain an identification of the trades, if any, that your Company will perform directly in lieu of a bona fide subcontractor.

- The Plan must state the minority and female skilled tradespeople utilization commitments. The required utilization commitment form (attached) must also be executed by an authorized officer of your firm, and included in the Plan. This form must be updated if the development is accepted for processing by the Authority.

**NOTE:** The Americans with Disabilities Act of 1990 (ADA) makes it unlawful to discriminate in employment against a qualified individual with a disability. Three areas of coverage are employment (policies and practices), programs (activities and services), and facilities (offices and grounds). These areas must be reviewed in accordance with the ADA and a self-evaluation must be developed and kept on file for review.

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5. The Plan must include a commitment on the part of the contractor to include language in all subcontracts that clearly states that the failure on the part of a subcontractor to implement the Equal Employment Opportunity Plan requirements will be considered a breach of the contract, and may be considered cause for removal from the housing development. In order to comply with this requirement, your firm must agree to incorporate the "Employment Practices Provision" of MSHDA's Article XV, of the General Conditions to the Construction Contract into all subcontracts.
6. The general contractor must agree to allow MSHDA to review payroll for itself and all subcontractors who have a contract on this development at MSHDA's discretion.
7. An acceptable Minority Business Enterprise Goal (MBE) of the dollar amount of the total construction contract must be in the Plan. This goal must be stated in the Plan in dollar amounts (dependent on the final determined amount of the construction contract).

If requested, your Company will be allowed to deduct certain soft cost items (items 40 - 50 of the standard MSHDA Trade Payment Breakdown) in the calculation of the dollar amount of the MBE goal.

8. The Plan must also include a goal for the utilization of Woman Owned Business Enterprises (WBE). An acceptable goal would be in the range of 3% to 5%. The goal for utilization of woman owned businesses must be separate and distinct from the MBE goal. You are also advised that in order to be considered a minority owned company, a company must be owned (at least 51% interest in profits and losses), operated (participation in the daily management and operation of the company) and controlled (minority person must have and actually exercise authority to independently make significant decisions on behalf of the company) by a minority group person or persons. In addition, once a company is determined by MSHDA to be a bona fide minority owned company (based on our review of documents required to be submitted as part of the equal employment opportunity compliance reporting requirements and our investigation of the actual operations of the company), that company must be "substantially" involved in the performance of the contractual service. This means that no MBE credit will be received for the use of an MBE company that in actuality functions merely as a conduit for a non-minority owned company. The same criteria will be used in the case of a woman owned business enterprise.
9. The Plan must contain a detailed delineation of the persons and organizations to be contacted by your firm in order to achieve the goals contained in the Plan. This list should be updated with the submission of the final EEO plan.
10. The Plan must contain the general contractor's plan and commitment to increase the pool of minority and female trades people available to work on this development through apprenticeship training programs.

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11. The Plan must contain a statement of your Company's policies for the acceptance of bid proposals. If your Company as a normal practice simply accepts the lowest bid proposal, the Plan must contain a commitment by your Company to be flexible with respect to bid proposals submitted by minority owned firms. This means that your Company will agree to give strong consideration to bid proposals submitted by these firms, even when their bids are slightly higher (2 - 5%) range. The Plan should also contain a commitment by your Company to make an extra effort to work with minority firms in order to bring their bid proposals (if necessary) into line with your costing constraints.
12. The Plan must contain the general contractor's commitment to distribute wage rights information designed by MSHDA to all trades people working on the development site.
13. The Plan should include a statement that your firm as the general contractor acting by and through its EEO Officer acknowledges that it has reviewed and understands the Equal Employment Opportunity requirements as contained in both this letter and the MSHDA form Construction Contract. You are further advised that the failure of your Company to comply with these requirements will result in its debarment (and that of any of its related companies) from future participation in any MSHDA housing financing programs.
14. The Preliminary Plan should be clearly labeled as preliminary, signed, dated and submitted in the form of a Letter Agreement. The Minority Utilization form (attached) must be signed and returned with your Preliminary Plan.

In addition to the submission of the Preliminary Plan, we will also be requiring a letter which must contain a report from your Company on the status of bidding and the selection of any subcontractors for this development.

If you have any questions after you have reviewed these requirements and the attached materials, do not hesitate to contact the Construction Management Section of the Division of Multifamily Housing Development and Construction at (517) 373-8055.

## STATE OF MICHIGAN DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

## MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

P. O. BOX 30044  
Lansing, Michigan 48909

This form is issued under authority of Act 346 P.A. 1966, as amended. Completion and execution of this form is required. Failure to complete and execute this form may result in the termination of the construction contract.

The General Contractor hereby acknowledges that this Utilization Commitment will be incorporated in the bid specifications and must be part of all construction subcontracts. The Utilization Commitment must be a condition on the request for bid proposals and a condition for contract approvals. We hereby further acknowledge our obligation to encourage and assist minority contractors and women contractors to bid and perform on this Authority Sponsored housing development.

MINORITY AND FEMALE UTILIZATION COMMITMENT OF THE GENERAL CONTRACTOR

To

Michigan State Housing Development Authority

NAME OF GENERAL CONTRACTOR		PERCENT AND NATURE OF MINORITY OWNERSHIP
DEVELOPMENT NAME AND LOCATION	CONTRACT AMOUNT	MSHDA DEVELOPMENT NO.
		\$
PRINCIPLE OWNER'S NAME		GENERAL CONTRACTOR'S I.R.S. NO.
NAME OF EQUAL EMPLOYMENT OPPORTUNITY OFFICER		TELEPHONE NUMBER
ADDRESS (STREET, NUMBER, CITY, STATE, AND ZIP CODE)		

We hereby commit our firm to provide a total workforce integration of \_\_\_\_\_% minority and \_\_\_\_\_% females inclusive of all skilled trade.

\_\_\_\_\_  
Signature of General Contractor's Company  
Equal Employment Opportunity Officer

\_\_\_\_\_  
Company Title

\_\_\_\_\_  
Date



EQUAL HOUSING OPPORTUNITY  
EQUAL OPPORTUNITY EMPLOYER

